

BULLETIN NO. 72-6

September 14, 1971

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Proposed Federal actions affecting the environment

1. Purpose. This Bulletin establishes procedures to be followed in certain instances by Federal agencies in taking or proposing actions coming within the scope of Section 102(2)(C) of the National Environmental Policy Act of 1969 (Public Law 91-190).

2. Background. Section 102(2)(C) of the National Environmental Policy Act requires that, in connection with recommendations or reports on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, Federal agencies shall prepare detailed statements concerning the environmental impact of such actions. Such statements are to be prepared after consultation with, and in consideration of comments made by appropriate Federal, State, and local agencies. The Council on Environmental Quality has published guidelines for implementing the statutory requirement (36 F. R., 7724-7729).

3. Requirements

a. Proposed legislation and reports on bills. Agencies are responsible, as set forth in the guidelines of the Council on Environmental Quality, for determining which of their legislative proposals or reports require preparation of a Section 102(2)(C) environmental impact statement, and for obtaining the comments of the appropriate Federal, State, or local agencies. Where a 102(2)(C) statement is determined to be required, in connection with the submission of a legislative proposal or report to the Office of Management and Budget for clearance pursuant to Circular No. A-19,

the responsible agency shall make every effort to have a statement prepared in time for information copies of such statement to accompany the proposal or report; where this is not possible, the responsible agency should indicate when such a statement will be available. OMB will consult with CEQ in all cases where the responsible agency has submitted, or indicated need for, a 102(2)(C) statement. In those cases where the clearance process discloses the need for a 102(2)(C) statement and none is under preparation, the responsible agency will be requested to develop such a statement.

In connection with any modifications of the proposal or report resulting from the clearance process, the responsible agency will make any revisions in its proposed 102(2)(C) statement that may be required. Compliance with the 102(2)(C) statement does not, of course, relieve any agency or Office of Management and Budget from responsibility for giving the fullest consideration to environmental factors in developing its views on legislative proposals or reports in accordance with Circular A-19. The responsible agency should transmit its 102(2)(C) statements on legislative proposals and reports to the appropriate Congressional committees in accordance with Section 10(c) of the revised guidelines of the Council on Environmental Quality.

b. Annual budget estimates. Annual budget estimates shall be accompanied by a summary list of those specific actions covered by the estimates which, in accordance with agency procedures, require the preparation of a 102(2)(C) statement. The list shall include, in the form illustrated in Exhibit 1, the following information by appropriation or fund account:

Column A - Action, project or activity. Identify the agency actions and individual projects and activities requiring the preparation of a 102(2)(C) statement.

Column B - Funds involved. Identify the amount of funds involved in the budget year, expressed in terms of budget authority and outlays, for those items listed in Column A.

Column C - Status of statement. Indicate, in each instance, if a draft statement has been completed, whether comments from interested parties have been received, and whether final statements have been completed.

Column D - Unusual aspects. Briefly identify unresolved issues, potential controversy, and unusual nature or degree of impact upon the environment.

In the case of programs for which it is not possible to make an assessment of the potential impact on the environment, or to identify 102(2)(C) statements that will be required, agencies may include a narrative statement containing information about general environmental impact and as to when decisions are expected on the need for 102(2)(C) statements.

In addition to submitting the summary list prescribed above, to facilitate consideration by the Office of Management and Budget of environmental aspects of budget items, each agency shall, at the earliest time possible, notify the appropriate budget examiner of the Office of Management and Budget of any action expected to be included in the agency's budget estimate which will have impact upon the environment of particularly significant and/or potentially controversial nature.

Individual draft or final statements and information to update the listings required above shall be provided by the agencies to members of the staff of the Office of Management and Budget upon their request.

c. Water resource project reports. Project reports reviewed by the Office of Management and Budget pursuant to Executive Orders 9384 and 10654 often involve proposed actions that may require application of Section 102(2)(C) procedures. In such cases, either a draft or final statement, as available, shall accompany the project report when it is referred for comments to interested Federal, State, and local agencies. The final statement and associated comments shall accompany the project report when submitted to the Office of Management and Budget for review.

4. Review of Federal actions by State and local governments. Section 102(2) (C) requires agencies to include the comments and views of the appropriate Federal, State, and local agencies which are authorized to develop and enforce environmental standards. The Council on Environmental Quality Guidelines and the Office of Management and Budget Circular No. A-95 establish the procedures to be followed in obtaining Federal, State, and local review of proposed actions subject to Section 102(2) (C).

5. Exceptions to these procedures. Should instances arise in which an agency believes compelling reasons exist for departure from these procedures, the matter should be raised with appropriate staff members of the Office of Management and Budget.

6. Rescission of previous Bulletin. Office of Management and Budget Bulletin No. 71-3, dated August 31, 1970, is rescinded, effective this date.

GEORGE P. SHULTZ  
Director

**SUMMARY LIST OF SECTION 102(2)(C) STATEMENTS**

**DEPARTMENT OF GOVERNMENT**  
**Appropriation or Fund Account**  
**(Account identification code)**

Column A	Column B	Column C	Column D
Action, Project, or Activity	Funds Involved		Status of Statement
	Budget Authority	Outlays	
Unusual Aspects			